

News Release

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FOR IMMEDIATE RELEASE:

October 24, 2011

FREDERICK/CARROLL COUNTY RENEWABLE WASTE-TO-ENERGY PROJECT PROCEEDS ON SCHEDULE

FREDERICK, MD – Frederick County Government officials announced today that the permitting process for the Frederick/Carroll County Renewable Waste-to-Energy (WTE) project is proceeding on schedule. The next in a series of <u>information hearings by the Maryland Department of the Environment (MDE)</u> will be held at 7:00 p.m. on November 1 at the <u>Ballenger Creek Elementary School</u>, 5250 Kingsbrook Drive, Frederick, Md. For additional details, contact MDE's Shannon Heafey at 410-537-4433.

Construction of the renewable energy facility is scheduled to begin next year after MDE issues permits for the project and the Northeast Maryland Waste Disposal Authority (NMWDA) secures its financing.

According to President Blaine Young of the Frederick Board of County Commissioners, "After years of comprehensive evaluation and many public meetings, we are looking forward to breaking ground for the project by next July or August. The county commissioners promise the taxpayers and citizens of Frederick County that we move prudently and cautiously when any commitment is made financially on their behalf. Several financial studies in and out of house have been done to help guide the current and past boards. The design, construction and operation of the 1,500 ton per day WTE facility has also undergone an independent review of the project financial model, which shows that Frederick County will save hundreds of millions of dollars over the current waste disposal practice of trucking waste to other jurisdictions."

"Concerns raised about the recent bankruptcy in Harrisburg, Pennsylvania, have no bearing on the financing of our waste disposal and renewable energy project. The Frederick/Carroll County project has been carefully structured financially and professionally designed from day one. There is no comparison between the situation in Harrisburg and Frederick County."

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Frederick/Carroll County Renewable Waste-to-Energy Project Is Proceeding on Schedule – Page Two

Frederick County Special Projects Manager Michael Marschner assured the county commissioners and citizens that the Harrisburg WTE problems have no impact on the Frederick County project. He commented, "The Harrisburg WTE problems stem from improper management and a failure to require basic performance surety for the project -- a decision by Harrisburg which showed incredibly poor judgment and was one of the principle reasons that caused the increased debt associated with the WTE facility. This was only one of several bad decisions by the city."

Mr. Marschner cited other mistakes by Harrisburg officials, including failure to use a qualified contractor. Barlow, the contractor that was selected to perform the multi-million dollar retrofit, was not qualified to complete the project as evidenced by the fact that the company could not obtain a performance bond for the work. According to Marschner, Barlow was specifically found not qualified to even bid on the Frederick/Carroll WTE project, based on their lack of experience. This "unqualified designation" was determined before the full extent of the Harrisburg problems were known.

Also according to Mr. Marschner, Harrisburg, a city of approximately 50,000 people (about the size of the City of Frederick) financed an 800 ton per day WTE facility, which is approximately the same amount of trash disposal capacity Frederick County will have in the regional Frederick/Carroll project. Frederick County has a population of more than 230,000 people, more than four times the size of Harrisburg.

The Frederick/Carroll County WTE project will be a brand new state-of- the-art facility, designed and constructed by Wheelabrator, one of the top WTE companies in the industry -- not a retrofit of an incinerator by an unqualified contractor. The county facility is being developed by the NMWDA, a state agency that has successfully developed other WTE projects for Harford County, Montgomery County, Baltimore County and the City of Baltimore. The Authority, not Frederick County, will issue revenue bonds for the project. The contracts with Wheelabrator have specific performance guarantees, which the Harrisburg project with Barlow did not.

Lastly, unlike Harrisburg, Frederick County and the NMWDA will actively manage the project and make sure that it is a successful project which will serve the waste disposal needs of Frederick County residents for decades to come.

The Frederick/Carroll County WTE facility will be located at the McKinney Industrial Center, adjacent to the county's Ballenger-McKinney Wastewater Treatment Plant.

For additional information, visit the NMWDA webpage on the <u>Frederick/Carroll County Renewable</u> Waste-to-Energy facility.